

RD AN No. 3738 (1940-G)  
April 10, 2002

**TO:** Rural Development State Directors,  
Rural Development Managers, and  
Community Development Managers

**ATTN:** Program Directors and State Environmental Coordinators

**FROM:** Arthur A. Garcia      *(Signed by Arthur A. Garcia)*  
Administrator  
Rural Housing Service

**SUBJECT:** Standard Practice for  
Environmental Site Assessments: Transaction Screen  
Questionnaire (ASTM E-1528-00)

**PURPOSE/INTENDED OUTCOME:**

The purpose of this Administrative Notice is to provide clarification and guidance on the use of the “Standard Practice for Environmental Site Assessments: Transaction Screen Questionnaire” (ASTM E-1528-00) and the Transaction Screen Questionnaire (TSQ) form.

**COMPARISON WITH PREVIOUS AN:**

This AN replaces AN No. 3666(1940-G), dated June 14, 2001, which expires June 30, 2002.

**IMPLEMENTATION RESPONSIBILITIES:**

“Due diligence” is the term used to describe the process of inquiring into the environmental condition of real estate, in the context of a real estate transaction, to determine the potential for contamination from release of hazardous substances, hazardous wastes, and petroleum products; and further, to determine what impact such contamination may have on the regulatory status and the security value of the property.

EXPIRATION DATE:  
April 30, 2003

FILING INSTRUCTIONS:  
Preceding RD Instruction 1940-G

For Single Family Housing programs administered under RD HB-1-3550, the acceptable evidence of due diligence is the most current version of the American Society for Testing and Materials (ASTM) “Standard Practice for Environmental Site Assessments: Transaction Screen Questionnaire.” This Standard Practice is essentially a set of instructions. The designation number is ASTM E-1528-00.

Both the Standard Practice and the TSQ form (which is extracted from the Standard Practice) are copyrighted by ASTM. Rural Development has paid ASTM a fee for the right to copy and redistribute these documents for Agency use only. Under no circumstances, does the Agency have permission to supply its clients or non-Agency personnel with these documents. However, the agency has determined that its contracts with appraisers can be revised to allow the appraiser to complete the TSQ and that under these circumstances the agency may provide a copy of the TSQ to the appraiser for use on agency properties. It is recommended that State Offices which take this approach keep an accurate record of costs by separating the cost of completing the TSQ from the cost of the appraisal itself.

State Environmental Coordinators and Program Managers should take note that the copy and redistribution right extends to all Rural Development programs, therefore, the TSQ may be used under any Rural Development program, should the need arise.

Agency employees should not attempt to complete the new TSQ form without first reading the Standard Practice. Questions should be referred to your State Environmental Coordinator or you may contact Sue Wieferich, (202) 720-9647, or Brian LaFlamme, (202) 720-9656, Program Support Staff, Rural Housing Service.